Herriman City Fire Safety Area
Special Meeting Agenda

Wednesday, August 03, 2022

NOTICE IS HEREBY GIVEN that the Herriman City Council shall assemble for a meeting in the City Council Chambers, located at
5355 WEST HERRIMAN MAIN STREET, HERRIMAN, UTAH

1. **Call to Order**

2. **Public Hearing**

   2.1. Public Hearing and Consideration of a Resolution to establish the Property Tax Rate and Approve the fiscal year 2022-2024 budget for the Herriman City Fire Service Area

3. **Adjournment**

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. Request assistance by contacting Herriman City at (801) 446-5323 or info@herriman.org and provide at least 48 hours advance notice of the meeting.

ELECTRONIC PARTICIPATION: Members may participate electronically via telephone, Skype, or other electronic means during this meeting.

I, Jackie Nostrom, certify the foregoing agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body, at the principal office of the public body, on the Utah State Public Notice website www.utah.gov/pmn/index.html and on Herriman City's website at www.herriman.org

Posted and Dated this 28th day of July, 2022

Jackie Nostrom
City Recorder

STAFF REPORT

DATE: **July 26, 2022**

TO: The Herriman City Fire Service Area Board

FROM: Alan W. Rae, Finance Director

SUBJECT: **Establish the Property Tax Rate and Approve the fiscal year 2022-2024 budget for the Herriman City Fire Service Area**

RECOMMENDATION:
Approve the proposed tax rate for fiscal year 2023 and adopt the budget for fiscal years 2022-2024.

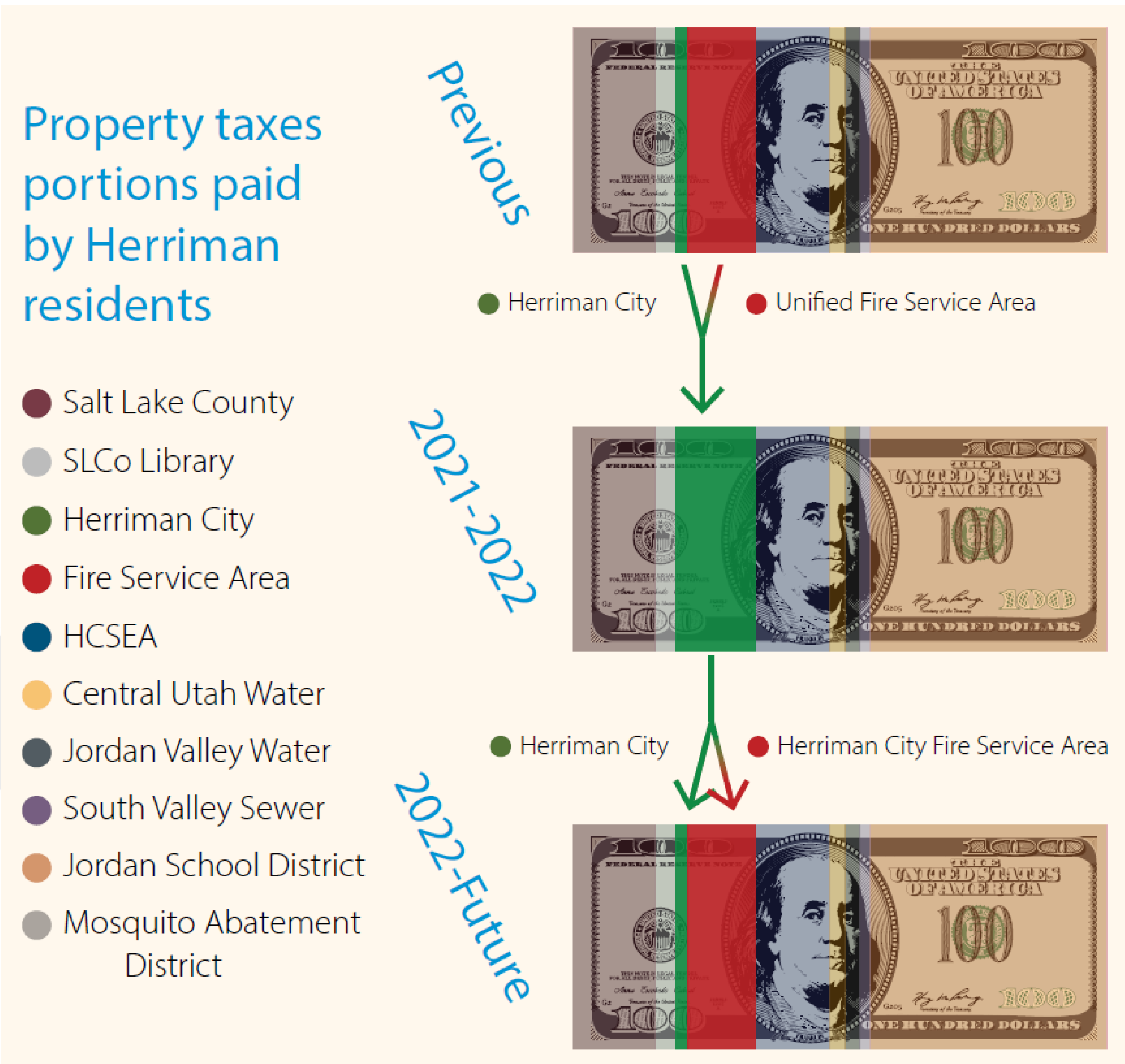
ISSUE BEFORE COUNCIL:
Should the HCFSA approve the proposed tax rate for fiscal year 2023 and adopt the budget for fiscal years 2022-2024.

BACKGROUND/SUMMARY:
The board is required to adopt a property rate for the new Herriman City Fire Service Area (HCFSA), which fund fire and emergency medical services in Herriman and cannot be used for any other purpose.

In 2020 and years prior, fire and emergency medical services were funded through taxes to the multi-city Unified Fire Service Area (UFSA). When the City withdrew from the UFSA taxing entity, a one-year transition period required fire and emergency service taxes to temporarily go to the general Herriman City tax rate. Those funds remained separate from the rest of the City's funds and have been reserved for fire and emergency services. Now that the HCFSA has been established, fire and emergency service taxes will go to the HCFSA. Thus, the HCFSA tax rate is proposed to be set at 0.001320, which will generate $7,558,404 in revenue, and the city's general tax rate will see a corresponding decrease. The overall amount that residents have paid/will pay for city, law enforcement, and fire services remain the same.

DISCUSSION:

Residents will see a notice for an increase this coming year for the new Herriman City Fire Service Area; however, that simply shows a change of which entity collects fire and emergency service taxes. In 2021, fire and emergency service taxes were temporarily absorbed into the general City tax. This year's change is the last stage of the transition.



ALTERNATIVES:
The Board could adopt or reduce the tax rate, as deemed necessary.

FISCAL IMPACT:
The tax will generate approximately $7.5 Million dollars that the city will use for fire services. This is the same amount that the city would have paid to Unified Fire Service Area. Contract services will cost approximately $4.5 Million. The difference will be used for future capital needs relating to fire and emergency services, such as replacing station 103.

HERRIMAN CITY FIRE SERVICE AREA
RESOLUTION NO. R

A RESOLUTION OF THE HERRIMAN CITY FIRE SERVICE AREA ADOPTING A FINAL BUDGET MAKING APPROPRIATIONS FOR THE SUPPORT OF THE HERRIMAN CITY FIRE SERVICE AREA FOR THE PERIOD BEGINNING JULY 1, 2022 AND ENDING JUNE 30, 2024, AND DETERMINING THE RATE OF TAX AND LEVYING TAXES UPON ALL REAL AND PERSONAL PROPERTY WITHIN THE HERRIMAN CITY FIRE SERVICE AREA

WHEREAS, on August 3, 2022, the Board of Trustees ("Board") of the Herriman City Fire Service Area ("HCFSA") met in a special meeting to consider adoption of a resolution of the HCFSA adopting a final budget making appropriations for the support of the HCFSA for the period beginning July 1, 2022 and ending June 30, 2024, and determining the rate of tax and levying taxes upon all real and personal property within the HCFSA; and

WHEREAS, on July 20, 2022 and July 27, 2022, notices of a public hearing to consider the FY 2022-24 Final Budget were published in the Deseret News, posted in three locations, and on the Utah Public Notice Website created by Utah Code Ann. § 63F-1-701; and

WHEREAS, on August 3, 2022, a public hearing to receive public comment and consider adoption of a final budget was held at approximately 6:00 p.m. in the Council chambers located at 5355 West Herriman Main Street, Herriman, Utah; and

WHEREAS, all interested persons in attendance at the public hearing were given an opportunity to be heard, for or against, the estimate of revenues and expenditures or any item thereof in the final budget; and

WHEREAS, the HCFSA has published the necessary notice and held the public hearing required prior to adopting the budget; and

WHEREAS, it is the intent and desire of the HCFSA to comply with all applicable State and local laws regarding the adoption of the budget; and

WHEREAS, the Board finds that it has satisfied all legal requirements required to adopt a budget, and that it is in the best interests of the citizens of the HCFSA to adopt a final budget for the HCFSA.

NOW, THEREFORE, BE IT RESOLVED the Board hereby adopts this Resolution, thereby budgeting to support the operations of the HCFSA as follows:

Section 1. Budget Adoption.

A. The Final Budget attached hereto, as amended, and by this reference incorporated herein, is hereby appropriated for the corporate purposes and objects of the HCFSA for the time period beginning July 1, 2022, and ending June 30, 2024, and is hereby adopted as the "Budget of HCFSA for the time period beginning July 1, 2022 and ending June 30, 2024 (the "*Budget"*).

B. Pursuant to Utah law, a copy of the Budget for each fund within the Budget shall be certified by the Budget Officer and it is hereby directed that it be filed with the State Auditor within 30 days after adoption.

C. Pursuant to Utah law, a certified copy of the Budget shall be filed in the office of the District Clerk and will be available for public inspection during normal business hours.

Section 2. Tax Rate and Levy.

A. For the purpose of defraying the necessary and proper expenses of the HCFSA and for maintaining the government thereof, it is hereby determined that the Tax Rate of the general property tax to be levied against all real and personal property within the HCFSA made taxable by law for the fiscal year beginning July 1, 2022, and ending June 30, 2023, at the rate of 0.001320 which will yield $7,558,404.

B. There is hereby levied upon all real and personal property within the HCFSA made taxable by law for the fiscal year of the HCFSA ending June 30, 2023, the tax rate set forth above, on the taxable value of said property, to provide revenue for the HCFSA and for general HCFSA purposes.

C. As required by law, the rate hereinabove determined and levied, along with all statements and information required by law, shall be reported to the Salt Lake County Auditor, State of Utah, and the Utah State Tax Commission.

Section 3. Further Action.

A. In addition to the foregoing, the Chair is hereby directed to implement any other necessary actions pertinent to the adoption of the Budget. Such actions may include, but are not necessarily limited to, notification, reporting, and publishing as required by and consistent with applicable law.

B. Amounts budgeted for contingency, fund balance, and capital projects will be deposited into the Public Treasurer's Investment Fund (PTIF) for this specific purpose, with continuous regular amounts deposited throughout the fiscal year. Statements of these accounts will be distributed to the Council on a quarterly basis along with other expenditure reports.

Section 4. **Severability**. If a court of competent jurisdiction declares any provision of this resolution invalid, the remainder shall not be affected.

Section 5. **Effective Date**. This resolution shall take effect upon passage and posting as required by law.

PASSED AND APPROVED by the Board this 3rd day of August 2022.

HERRIMAN CITY FIRE SERVICE AREA

By: ________________________________
Lorin Palmer, Vice Chair

ATTEST:

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Jackie Nostrom, District Clerk

HERRIMAN CITY FIRE SERVICE AREA

		FY 2019	FY 2020	FY 2021	FY 2022 YTD 4-12	FY 2022 Budget	FY 2022 Budget as Revised	FY 2023 Budget	from 2022 Revised Budget	FY 2024 Budget	Change from 2023 Budget
Revenue											
31100	Property Tax	-	-	151,916	7,761,212	5,947,148	7,400,000	7,900,000	6.76%	8,400,000	6.33%
31110	Unified Fire Service Area	-	-	-	75,882	-	75,862	80,000	5.45%	80,000	0.00%
36010	Fire Impact Fees	-	-	162,211	371,983	150,000	500,000	535,000	100.00%	570,000	6.54%
36011	Transfer from General Fund	-	-	2,400,000	-	-	-	-	0.00%	-	0.00%
36100	Interest	-	-	-	-	25,000	25,000	-	-100.00%	-	0.00%
Total Revenue		-	-	2,714,127	8,209,077	6,122,148	8,000,862	8,515,000	0.00%	9,050,000	6.28%
Expenditures											
40260	Bldgs & Grounds Supplies & Maint	-	-	-	35,301	-	-	-	0.00%	-	0.00%
47105	Unified Fire Authority	-	-	2,555,383	4,984,001	4,800,000	5,000,000	5,200,000	4.00%	5,400,000	3.85%
47512	Professional Fees	-	-	-	6,800	-	-	-	0.00%	-	0.00%
49000	Transfer to General Fund	-	-	-	-	-	1,750,000	650,000	-62.86%	-	-100.00%
4900	Budgeted Increase in Fund Balance	-	-	-	-	-	-	2,665,000	0.00%	3,650,000	0.00%
Total Expenditures		-	-	2,555,383	5,026,101	4,800,000	6,750,000	8,515,000	26.15%	9,050,000	6.28%
Net Revenue Over Expenditures		-	-	158,744	3,182,975	1,322,148	1,250,862	-	(1)	-	-
Beginning Fund Balance				-		158,744	158,744	1,409,606		4,074,606	
Net Revenue Increase (Decrease) Fund Balance				158,744		1,322,148	1,250,862	2,665,000		3,650,000	
Ending Fund Balance				158,744		1,480,892	1,409,606	4,074,606		7,724,606	